ABSTRACT

A system and method for managing hedge funds is disclosed. The method comprises conducting market analysis to identify and filter a pool of financial instruments for the construction of a hedge portfolio database, conducting computerized quantitative analysis on combinations of the financial instruments in the hedge portfolio database to identify potential hedge positions, filtering at least one of the combinations based on filtering parameters to form a clearance combination, placing a trade order to open a hedge position based on the clearance combination, monitoring the hedge position to determine whether trading parameters have been met, and placing a trade order to close the hedge position. Other embodiments are disclosed and claimed herein.